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Witness Statement

TESTIMONY OF
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U.S. DEPARTMENT OF COMMERCE
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INTRODUCTION

Good morning, Mr. Chairman and members of the Subcommittee. I am Margaret A. Davidson, the Acting Assistant Administrator for Ocean Services and Coastal Zone Management for the National Oceanic and Atmospheric Administration (NOAA). Thank you for this opportunity to testify on the reauthorization of the Coastal Zone Management Act, or CZMA. The CZMA has benefitted the Nation, the States, and the citizens of our country since its enactment in 1972. The CZMA recognizes a national interest in our coastal and ocean areas, and establishes a partnership between the States and the Federal Government, in which States determine at the local level how best to balance conservation of the coastal environment with human uses that depend on coastal resources.

My testimony will focus on three areas: the success of the CZMA to date; emerging coastal management issues that need increased attention by Federal, State, Local, and Tribal Governments; and alternatives for addressing these needs.

THE SUCCESS OF THE CZMA

In 1972, Congress created the framework and incentives that generated a unique partnership among States, local governments and the Federal Government to "preserve, protect, develop, and where possible, to restore or enhance the resources of the Nation's coastal zone for this and succeeding generations." Through their Federally-approved Coastal Management Programs, States were given the responsibility to balance conservation of the coastal environment with human uses that depend on the coastal zone. Each program must address a wide range of national goals, including: protecting coastal development and lives from erosion and storms; maintaining and restoring the natural beach and dune systems; providing for appropriate coastal development; protecting and restoring ecologically important coastal habitats; furthering the national interest in the siting of energy facilities; controlling polluted runoff; improving public access and recreational opportunities in coastal areas; revitalizing local waterfronts; and ensuring that Federal actions are consistent with State Coastal Management Programs.

The best testament to the success of this voluntary Federal-State partnership is the fact that 33 of 35 eligible coastal States, Commonwealths, and Territories have received Federal approval of their coastal management plans, and that one more State, Indiana, is seeking to join the national program. This strong partnership also

includes the 25 Federally-designated National Estuarine Research Reserves (Reserves) in 21 coastal States and Commonwealths, with two additional reserves in California and New York pursuing designation. Reserves now protect over one million acres of estuarine lands and waters and conduct important research, monitoring, education and stewardship activities.

PRESSURES ON THE COASTS

Our Nation's coasts are densely populated and getting more crowded every day. Presently, our coastal areas host 53% of the total U.S. population living on only 17% of the Nation's land area. The projected increases in the number of people living in our coastal areas are dramatic. Between 1994 and 2015, coastal population is projected to increase by 28 million people (20%), compared to a 22 million increase (18%) in non-coastal areas.

From 1960 to 2015, the population density in all coastal counties (excluding those in Alaska) will have grown from 187 to 327 persons per square mile - roughly three times the national average. Counties located directly along a tidal shoreline are popular locations for residential and commercial development. In fact, an average of 360 people live within every square mile of land in these coastal counties.

Our coastal regions are also critical to the economy and the environmental health of the United States. The 425 coastal counties generate \$1.3 trillion of the GNP, and coastal industries account for more than 28 million jobs, over one-third of the national employment. In 1995, just under a billion tons of cargo worth \$620 billion moved through coastal ports and harbors. Coastal estuaries are among the most biologically-productive regions in the Nation, as well as providing recreational opportunities for more than 180 million Americans each year.

The United States is not alone in its efforts to balance coastal conservation and development. Almost half of the world's population lives within 100 miles of the coast, and problems that we find in the U.S. are similar to those in other coastal nations. About half of the world's coastal nations have undertaken some activities to develop coastal management programs. Many of these efforts are patterned after the CZMA, which remains at the forefront of coastal management planning and implementation.

THE ROLE OF STATE COASTAL MANAGEMENT PROGRAMS

State Coastal Management Programs and Reserves provide the framework necessary to sustain the economic and ecological value of the coastal areas. The balance is achieved through various State and local programs that allow for the orderly development, conservation, and recreational use of the lands and waters in the coastal zone.

The incentives given to the States and include funding for developing and implementing coastal management programs and reserves, and a unique type of Federal-State coordination called "Federal Consistency." This incentive requires Federal agencies to be consistent to the maximum extent practicable, and those applying for Federal approvals and funding to be fully consistent with the approved State Coastal Management Programs. The Federal Consistency provision has worked well, as States have concurred with more than 95 percent of the projects reviewed under Federal Consistency. Of the remaining five percent, of all the thousands of federal actions reviewed there were only 40 instances where an applicant for a federal approval appealed a state's objection to the Secretary of Commerce. Of that total, approximately 14 appeals were associated with proposed Outer Continental Shelf (OCS) oil and gas exploration and/or development activities.

In light of the Administration's recent National Energy Policy Report and Executive Order 13212 (Actions to Expedite Energy-Related Projects), requiring agencies to expedite their review of permits and other Federal actions related to energy-related project approvals, we will work closely with the Department of the Interior, other Departments, and State governments to re-examine the current Federal legal and policy

regime (statutes, regulations, and Executive Orders) to determine if changes are needed regarding energy-related activities and the siting of energy facilities in the coastal zone and the OCS.

BENEFITS OF THE CZMA

The CZMA has provided numerous benefits to the Nation, to the States, Territories and to the citizens living, working and recreating in our coastal communities. Over the years, the CZMA has received near-unanimous bi-partisan support within Congress, and the wide-spread support of State and local governments, interest groups and the public. The benefits of the CZMA can be seen in the effectiveness of the national system of State coastal management programs, the growing network and use of estuarine research reserves, the vitality of our coastal economies, and the protection and sustainability of important coastal resources and habitats. I would like to highlight a few examples:

<u>Reversing Wetlands Loss</u> - The San Francisco Bay Conservation and Development Commission, a Federally-approved CZMA program, has reversed wetland loss from 2,300 acres per year to only 4 acres per year.

Reducing Risks from Coastal Hazards- The South Carolina coastal program used funding under section 309 and a NOAA Coastal Management Fellow to refine and implement a procedure for conducting damage assessments following coastal storms. This computer based program allows State managers to better understand the relationships between damaged habitable structures, natural beach features and erosion control structures.

Improving Access to Coastal Resources - Under section 306A of the CZMA, the Coastal Resource Improvement Program, States have used Federal and State funds to substantially increase public access to natural and cultural coastal resources. Estimates indicate that States have developed more than 1,000 coastal access and resource protection projects since 1985. The States have spent more than \$50 million in Federal funds, equally matched with State and local funds, on these efforts. The Maryland CZM Program worked with the Town of Federalsburg on a public access project to construct a boardwalk that links two greenways - the Marshyhope Creek Trail and the Federalsburg Riparian Restoration Nature Trail. This project helped complete a 1.5 mile trail system in a "river walk park," including a number of recreational features. The park also includes an education component that explains to the public the functions of the river systems and the impacts to the rivers and coast of the adjacent urban area. In addition, the North Carolina coastal program has improved or developed 57 coastal water accesses and boardwalks since 1996. During the next year, the Texas coastal program will be working with two local governments to develop coastal accesses. These projects will use \$150,000 of Federal funds and will be matched by nearly \$300,000 of local funds.

Supporting Economic Development - State coastal management programs have provided support to numerous coastal communities for environmentally-sound waterfront revitalization. The City of Wilmington, North Carolina used CZMA funds to develop a riverfront plan that served as a catalyst for \$4 million in public investment and \$100 million in private investment along the Cape Fear River. This project restored the Wilmington waterfront into a vibrant economic and social center. The State of New Jersey has also expanded its total acreage of waters available for shellfish harvesting for 11 years in a row. This is attributed to better water quality due to NJDEP's watershed management approach, designation of No Discharge Zones in the Manasquan and Shark Rivers, and improved efforts to control nonpoint pollution. In 1998, the State set the record for the fewest beach closings, according to an NRDC report. NJDEP is also the lead agency on a new program to site aquaculture development

zones within State waters to further facilitate the production of shellfish.

<u>Controlling Polluted Runoff</u> - In 1999, Maryland became the first coastal State to receive full approval of its coastal nonpoint pollution control program by NOAA and the Environmental Protection Agency. Development of the coastal nonpoint program was accomplished through strengthening the links among

existing State and Federal management programs that protect water quality. The coastal nonpoint program was directly responsible for the Clean Marinas Initiative, a program that recognizes marinas for voluntarily putting into place best management practices that reduce pollution from boats and marina facilities. Maryland's program has served as a national model for other coastal States.

<u>Providing Research and Education</u> - The National Estuarine Research Reserves have developed a uniform system-wide water quality monitoring framework at 22 reserves. This information helps scientists, managers, and coastal communities understand natural and human-induced changes in estuaries around the country. The impacts of farming methods and habitat restoration on water quality is a key issue studied at numerous sites.

The Jacques Cousteau National Estuarine Research Reserve in New Jersey conducts education programs especially designed to improve science instruction to all students while improving environmental awareness and academic excellence. Through the Marine Awareness Resources Education (MARE) Program, the Reserve trains hundreds of teachers each year, reaching 27 schools, nine school districts, and thousands of students. In addition, the reserve provides science-based training to adult coastal decision makers. Workshops such as those on water supply issues in New Jersey's coastal watersheds and ecological indicators for salt marsh restoration help bring sound science to environmental professionals.

Eutrophication, caused by nitrogen loading from human and other activities in the watershed, is the most challenging management issue for Waquoit Bay National Estuarine Research Reserve in Massachusetts. This problem is shared by shallow coastal bays along the northern Atlantic coast. Research at the reserve has shown that septic systems contribute a significant percentage of the nitrogen in Waquoit Bay. Current activities at the reserve focus on educating local decision-makers and citizens in the Waquoit Bay watershed about alternative on-site disposal systems.

Under section 315 of the CZMA, the National Estuarine Research Reserve System, States have used Federal funds to protect more than one million acres of coastal lands and waters for the purposes of long-term research, education, and resource stewardship. Reserves also have conducted research on the best methods to use for restoration projects and have restored over 100,000 acres of degraded estuarine habitat.

The benefits of the reserve system reach far beyond the protection of 25 sites. Education and training programs provide sound, science-based information to teachers, students, State and local government officials and many other coastal decision makers, resulting in better stewardship of coastal resources. These outreach activities make the Reserves critical components in the implementation of the State coastal management programs. For example, since 1998, nearly 5,000 people have participated in workshops on coastal issues, and approximately 25,000 school children participate in reserve educational programs each year.

EMERGING COASTAL MANAGEMENT ISSUES

While there have been great strides in managing the Nation's coastal zones, much remains to be done. Management of the nation's coastal zone through State coastal management programs, estuarine research reserves, and NOAA requires management programs to address increasing pressures on coastal and ocean resources. Pressures on coastal and ocean resources are increasing dramatically, and so are the resulting management challenges. For example, the projected increase in coastal population of 28 million people between 1994 and 2015 will be accompanied by increases in solid waste production, urban runoff, losses of green space and wildlife habitat, water quality declines, and other stresses on the coastal and marine environment.

We have identified three emerging issue areas that warrant consideration during this reauthorization: Creating Prosperous Communities, Conserving and Restoring Coastal Watersheds, and Measuring Success.

Coastal communities are facing increasing challenges. Increasing numbers of people are moving to our coasts, and many communities do not have the ability to plan for or respond to new pressures on the coastal zone. The CZMA could provide a focus to help coastal communities respond to this population growth by revitalizing urban waterfronts and water-dependent economies, restoring and redeveloping coastal brownfields, providing for increased public access to waterfronts and waterways, and minimizing the threat to lives and property associated with coastal storms.

Coastal watersheds provide the fresh water and habitat needed to support our coastal economies, since recreation and tourism depend on healthy natural resources. A new focus on watershed conservation and restoration is needed to identify areas for conservation as well as areas that are suitable for development. Our experience with estuarine reserves and coastal management programs reveals that improved information is needed about the status of coastal resources, potential threats (such as impacts of coastal hazards) and potential compatible uses. This information will enhance our ability to manage these areas to meet national, as well as local and tribal, interests. The result would be new projects to revitalize the coast through restoring, conserving and protecting coastal waters and habitats, and encouraging compatible uses in areas with high resource values.

Program reporting and assessment could be substantially increased. While the CZMA requires periodic evaluations of State programs and reserves, there is a need to develop a national system of performance measures (indicators) to assess the health of the natural, cultural and economic resources of the coastal zone. There is also a need to continue programs to measure the success of a variety of Federal, State, tribal and local coastal management efforts. A truly successful evaluation system must periodically examine the performance of all of the parties contributing to coastal management, regardless of their authorizing statute or funding agency.

ADDRESSING EMERGING COASTAL MANAGEMENT ISSUES

Communities. One alternative is to create a distinct program to encourage States, communities and tribes to undertake community revitalization and restoration projects. Project development funding is available only through section 306A of the Act, which is geared toward direct implementation of the approved State coastal management plan. A new emphasis could look at developing projects to address coastal issues in local communities. HR 897 provides a good basis for revitalizing coastal communities by creating a community initiative and authorizing funding to states and communities that will allow local communities to chart their own futures.

Watersheds. A similar effort could be undertaken to support the creation of coastal watershed conservation and restoration plans. These plans could lead to the development of projects that would improve coastal water quality, ensure adequate coastal habitat, and promote compatible uses of lands and waters in the coastal area.

An option for effectively addressing emerging coastal issues at both the local community and watershed scales is to create new technical assistance and education initiatives. Changes to Section 310 of the CZMA could provide for new education, technical assistance, and technology development and transfer programs. It could also encompass other NOAA programs that provide critical tools and technologies to coastal zone management programs. Education initiatives under this section could focus on the general public and the business community as well as on local decision-makers.

The CZMA could better address watershed needs by developing a greater focus on the outreach and education capabilities of the National Estuarine Research Reserves. These enhancements could look at expanding the reserve system-wide monitoring program, developing new reserves to include all of the coastal bio-geographic regions, and increasing opportunities for training coastal decision makers in all of the coastal States and Territories. This would enable the reserve system to build on the successes already achieved in these areas.

Performance measures and reporting. To ensure that coastal management efforts are directed to the most pressing and important issues, a national effort has been initiated to determine the change of conditions over time and to develop a set of performance measures on the effectiveness of management programs on coastal resources. This effort could be based on the experiences of some States, such as Florida and New Jersey, that have developed performance indicators and measures under State requirements and initiatives. A study that NOAA commissioned in 1996, *The U.S. Coastal Zone Management Effectiveness Study* (1998), concluded that the monitoring and evaluation of State management measures is possible, yet has not been done in any systematic fashion. A regular report on the status of coastal resources and the effectiveness of management programs could supplement or replace the current biennial report, which is more directly related to program administration.

CONCLUSION

Our Nation's coasts are incredible places - that is why so many of us live, work, and play along the shore. Balancing economic prosperity and environmental conservation continues to be an important challenge. The Coastal Zone Management Act is an important part of our efforts to achieve that balance in a manner that benefits all the citizens of the Nation. The Coastal Community Conservation Act of 2001 (H.R. 897) would improve an already effective relationship between the State coastal management programs, the National Estuarine Research Reserves, and the Federal government. The CZMA is an effective statute, but there are a number of improvements that could be made. At the request of Chairman Hansen, the Department is currently working on additional written comments on H.R. 897 for consideration by the Committee. I look forward to working with you and our partners on this challenge. Thank you.

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